



**Date:** November 6, 2008  
**To:** City Manager for Council Action  
**From:** John C. Roukema, Director of Electric Utility  
**Subject:** Approval of Interconnection Agreement with Ameresco Santa Clara, LLC to Allow Ameresco Santa Clara, LLC to Connect to City Distribution System

**EXECUTIVE SUMMARY:**

On February 4, 2008 Council authorized the City Manager to execute the Lease and Landfill Gas Purchase Agreement with Ameresco Santa Clara, LLC to install and operate micro turbines at the closed All Purpose Landfill. Additionally, Council authorized the City Manager to execute the Power Purchase and Sale Agreement with Ameresco Santa Clara, LLC to purchase renewable electrical power energy, per agreed upon price and terms, from Ameresco Santa Clara LLC's landfill gas conversion facility to be installed at the closed All Purpose Landfill. Execution of the Purchase and Sale Agreement obligated Silicon Valley Power (SVP) to negotiate the terms and conditions of an Interconnection Agreement between Ameresco Santa Clara, LLC and Silicon Valley Power. This Agreement addresses the term, technical standards, permits, interconnection equipment, process for interconnection, interruption, right of access, termination, limitation of liability and indemnification, assignments, disputes, relationship of the parties, reactive power and other items related to interconnection issues. The Agreement also contains single line drawings that contain the equipment owned by SVP and Ameresco Santa Clara, LLC. A copy of the Interconnection Agreement is available for review in the Council offices.

**ADVANTAGES AND DISADVANTAGES OF ISSUE:**

The execution of this Interconnection Agreement will allow the project to move forward and meet its expected online date prior to the end of calendar year 2008. This will allow Silicon Valley Power to take receipt of approximately 4,700MWh of additional green energy. Additionally the completion of this project will allow the City to stay in compliance with applicable Bay Area Air Quality Management District regulations, while allowing Silicon Valley Power to increase Local Capacity and avoid transmission costs.

**ECONOMIC/FISCAL IMPACT:**

The execution of the Interconnection Agreement with Ameresco Santa Clara, LLC has no additional economic or financial impact other than what was contemplated under the execution of the Lease and Landfill Gas Purchase Agreement and the Purchase and Sale Agreement with Ameresco Santa Clara, LLC. The lease portion of these agreements will generate \$1,200.00 annually and the landfill gas purchase agreement will generate approximately \$30,000.00 a year, declining gradually over the term of the agreement. SVP will purchase approximately 4,700 megawatt hours per year of electricity at \$0.1175 per kWh costing \$552,250 per year, declining over the term of the agreement.

**RECOMMENDATION:**

That Council approve, and authorize the City Manager to execute, the Interconnection Agreement with Ameresco Santa Clara, LLC to allow Ameresco Santa Clara, LLC to connect to City distribution system.

APPROVED:



John C. Roukema  
Director of Electric Utility



Jennifer Sparacino  
City Manager

***Documents Related to this Report:***

- 1) *Interconnection Agreement with Ameresco Santa Clara LLC*

**CITY OF SANTA CLARA**  
**AGENDA MATERIAL ROUTE SHEET**

Council Date: November 18, 2008

**SUBJECT:** Approval of Interconnection Agreement with Ameresco Santa Clara, LLC to Allow Ameresco Santa Clara, LLC to Connect to the City Distribution System

**CERTIFICATION**

The proposed Interconnection Agreement with Ameresco Santa Clara, LLC.

Regarding: Connection to the City Distribution System by Ameresco Santa Clara LLC

has been reviewed and is hereby certified.

**PUBLICATION REQUIRED:**

The attached Notice/Resolution/Ordinance is to be published \_\_\_\_ time(s) at least \_\_\_\_ days before the scheduled meeting/public hearing/bid opening/etc., which is scheduled for \_\_\_\_\_, 2008.

**AUTHORITY SOURCE FOR PUBLICATION REQUIREMENT:**

**Federal Codes:**

Title \_\_\_\_\_ U.S.C. § \_\_\_\_\_  
(Titles run 1 through 50)

**California Codes:**

Code \_\_\_\_\_ § \_\_\_\_\_  
(i.e., Government, Street and Highway, Public Resources)

**Federal Regulations:**

Title \_\_\_\_\_ C.F.R. § \_\_\_\_\_  
(Titles run 1 through 50)

**California Regulations:**

Title \_\_\_\_\_ California Code of Regulations § \_\_\_\_\_  
(Titles run 1 through 28)

**City**

City Charter § \_\_\_\_\_ (i.e., 1310. Public Works Contracts. Notice published at least once at least ten days before bid opening)

City Code § \_\_\_\_\_

1. As to City Functions, by
2. As to Legality, by
3. As to Environmental Impact Requirements, by
4. As to Substance, by

John C. Ronkema  
Department Head

Jill Atteie  
City Attorney's Office/CAO Assignment No. 08.1514

\_\_\_\_\_  
Director of Planning and Inspection

J. Sparacino  
City Manager

Revision Date: June 7, 2005